

AFTER RECORDING RETURN TO:

Department of Enterprise Services  
Real Estate Services  
P. O. Box 41468  
Olympia, Washington 98504-1468

*Effective 10-25-2014*

## STANDARD

**NOTE:** The underlined portions of this document may be adapted on a case-by-case basis to reflect the actual terms and conditions of a lease.

Lease No. SRL 00-0000  
SR 000-00-00

(City) Agent's Initials  
Page 1 of 9  
Date:

### LEASE

This LEASE is made and entered into between \_\_\_\_\_ whose address is \_\_\_\_\_ for its heirs, executors, administrators, successors, and assigns, hereinafter called the Lessor, and the State of Washington, \_\_\_\_\_, acting through the Department of Enterprise Services (DES), hereinafter called the Lessee.

WHEREAS, the Department of Enterprise Services is granted authority to lease property under RCW 43.82.010;

WHEREAS, the Lessor and Lessee deem it to be in the best public interest to enter into this Lease;

NOW, THEREFORE, in consideration of the terms, conditions, covenants and performances contained herein, IT IS MUTUALLY AGREED AS FOLLOWS:

### LEASED PREMISES

1. The Lessor hereby leases to the Lessee the following described premises:

**Tax Parcel Number:** \_\_\_\_\_

**Common Street Address:** \_\_\_\_\_

\_\_\_\_\_

### USE

2. The premises shall be used by the \_\_\_\_ and/or other state agencies for the following purpose(s): \_\_\_\_\_.

### TERM

3. TO HAVE AND TO HOLD the premises with their appurtenances for the term beginning \_\_\_\_\_ and ending \_\_\_\_\_.



## RENTAL RATE

4. The Lessee shall pay rent to the Lessor for the premises at the following rate:

\_\_\_\_\_

\_\_\_\_\_

Payment shall be made at the end of each month upon submission of properly executed vouchers.

*Use in five-year RENEWAL leases only when there is an increase in the rent:*

4.1. The Lessee shall not be required to pay the rental rate referenced in Paragraph 4 above until all of the work requested by Lessee in Additional Lease Provisions paragraph(s) \_\_\_\_\_. and \_\_\_\_\_.1. has/have been completed by Lessor. Until all such work is completed and approved by Lessee, the rate of \$Previous Lease Rate per month, as required under SRL Previous Lease Number shall continue in effect.

## EXPENSES

5. During the term of this Lease, Lessor shall pay all real estate taxes, all property assessments, insurance, storm water, water, sewer, garbage collection, and maintenance and repair as described below, together with natural gas, electricity, elevator service, exterior and interior window washing, landscape and irrigation water, and janitor service. Janitor service includes exterior and interior window washing, restroom supplies and light bulb replacement and such other items as set forth in Exhibit "J" which is attached hereto and incorporated by reference.

## MAINTENANCE AND REPAIR

6. The Lessor shall maintain the premises in good repair and tenantable condition during the continuance of this Lease, except in case of damage arising from the negligence of the Lessee's clients, agents or employees. For the purposes of maintaining and repairing the premises, the Lessor reserves the right at reasonable times to enter and inspect the premises and to make any necessary repairs to the building. Lessor's maintenance and repair obligations shall include, but not be limited to, the mechanical, electrical, interior lighting (including replacement of ballasts, starters and fluorescent tubes as required), plumbing, heating, ventilating and air-conditioning systems (including replacement of filters as recommended in equipment service manual); floor coverings; window coverings; elevators, including communications systems; inside and outside walls (including windows and entrance and exit doors); all structural portions of the building (including the roof and the watertight integrity of same); porches, stairways; sidewalks; exterior lighting; parking lot (including snow removal, cleaning and restriping as required); wheel bumpers; drainage; landscaping and continuous satisfaction of all governmental requirements generally applicable to similar office buildings in the area (example: fire, building, energy codes, indoor air quality and requirements to provide architecturally barrier-free premises for persons with disabilities, etc.).

## ASSIGNMENT/SUBLEASE

7. The Lessee may assign this Lease or sublet the premises with the prior written consent of the Lessor, which consent shall not be unreasonably withheld. Lessee shall not permit the use of the premises by anyone other than the Lessee, such assignee or sublessee, and the employees, agents and servants of the Lessee, assignee, or sublessee.

## RENEWAL/CANCELLATION

8. The Lease may, at the option of the Lessee, be renegotiated for an additional \_\_\_\_\_ ( ) years.



**PAYMENT**

9. Any and all payments provided for herein when made to the Lessor by the Lessee shall release the Lessee from any obligation therefor to any other party or assignee.

**COMPLIANCE WITH STATE/FEDERAL LAWS**

10. Lessor is responsible for complying with all applicable provisions of the Americans With Disabilities Act of 1990 (42 U.S.C. 12101- 12213) and the Washington State Law Against Discrimination, Chapter 49.60 RCW, as well as the regulations adopted thereunder, with respect to the Leased Premises.

**FIXTURES**

11. The Lessee, upon the written authorization of the Department of Enterprise Services, shall have the right during the existence of this Lease with the written permission of the Lessor (such permission shall not be unreasonably withheld), to make alterations, attach fixtures, and erect additions, structures or signs, in or upon the premises hereby leased. Such alterations, fixtures, additions, structures and signs shall be authorized only by the Department of Enterprise Services. Performance of any of the rights authorized above shall be conducted in compliance with all applicable governmental regulations, building codes, including obtaining any necessary permits. Any fixtures, additions, or structures so placed in or upon or attached to the premises shall be and remain the property of the Lessee and may be removed therefrom by the Lessee upon the termination of this Lease. Any damage caused by the removal of any of the above items shall be repaired by the Lessee.

**REMODEL**

12. The Lessor shall, at Lessor's sole cost and expense, on or before \_\_\_\_\_, complete in a good and workmanlike manner alterations as noted on the attached plan # \_\_\_\_\_ (Exhibit "A"), approved by the Design Manager on \_\_\_\_\_, also with attached specifications approved by the Design Manager on \_\_\_\_\_, initialed by both parties hereto and incorporated herein by reference.

*For alterations/remodeling to be PAID IN FULL IN CASH OR STATE WARRANT, the following will be included with the above paragraph:*

Lessor shall be reimbursed \_\_\_\_\_, which includes Washington State sales tax upon satisfactory completion of the above mentioned alterations, as verified by the Design Manager. Lessee shall make such payment in cash or state warrant, upon receipt of Authority to Pay from the Design Manager.

*For alterations/remodeling to be AMORTIZED, the following will be included with the above paragraph:*

Upon satisfactory completion of the above mentioned alterations, Lessee shall pay to Lessor the amount of \_\_\_\_\_ (which includes Washington state sales tax) at the rate of \_\_\_\_\_ per month including interest at the rate of \_\_\_\_\_ % per annum effective \_\_\_\_\_ through \_\_\_\_\_.

Lessee reserves the right to accelerate payment of amortized tenant improvement costs at anytime during the term of the Lease, without penalty or added cost, by paying the Lessor the then unamortized principal balance.

**ALTERATIONS/IMPROVEMENTS**

13. In the event the Lessee requires alterations/improvements during the term of this Lease, any renewals and/or modifications thereof, the Lessor shall have the right to provide such services. If required by state law, the Lessor shall pay prevailing rate of wage to all workers, laborers or mechanics employed to perform such work as well as comply with the rules and regulations of the Department of Labor & Industries. If the Lessee considers Lessor's proposed



costs for alterations/ improvements excessive, Lessee shall have the right, but not the obligation, to request and receive at least two independent bids; and the Lessee shall have the right at its option to select one alternative contractor whom the Lessor shall allow to provide such services for the Lessee in compliance with the Lessor's building standards and operation procedures.

## **PREVAILING WAGE**

*(Note: only use first paragraph for renewals)*

14. Lessor agrees to pay the prevailing rate of wage to all workers, laborers, or mechanics employed in the performance of any part of this Lease when required by state law to do so, and to comply with the provisions of Chapter 39.12 RCW, as amended, and the rules and regulations of the Department of Labor and Industries and the schedule of prevailing wage rates for the locality or localities where this Lease will be performed as determined by the Industrial Statistician of the Department of Labor and Industries, are by reference made a part of this Lease as though fully set forth herein.

14.1 Pursuant to RCW 39.04.260, the prevailing rate of wage is statutorily required to be paid to workers on the project for all work, construction, alteration, repair, or improvement, other than ordinary maintenance, that the state causes to be performed by a private party through a contract to lease at least 50% of the project by a state agency. Lessor acknowledges and agrees that a contract to lease is only created by this mutually acceptable written Lease, and any written amendments thereto, being executed by Lessor, the Director of the Washington State Department of Enterprise Services or his or her designee, and approved as to form by the Office of the Attorney General.

14.2 In addition to prevailing wages being paid under Chapter 39.12 RCW and RCW 39.04.260, Lessor agrees that at least the prevailing rate of wage will be paid to workers on the project for all work, construction, alteration, repair, or improvement, other than ordinary maintenance, ("Work") that occurred between \_\_\_\_\_ *(date of issuance of Letter of Intent)* until this Lease is fully executed (the "Interim Period"), inclusive of such dates, and at which point prevailing wage is statutorily required under RCW 39.04.260. For work performed during the Interim Period, Lessor agrees to adhere and fully comply with all terms and requirements of Exhibit I, Interim Work, which is attached hereto and incorporated by reference, including provisions for the withholding of rent and tenant improvement reimbursement payments.

## **DISASTER**

15. In the event the leased premises are destroyed or injured by fire, earthquake or other casualty so as to render the premises unfit for occupancy, and the Lessor(s) neglects and/or refuses to restore said premises to their former condition, then the Lessee may terminate this Lease and shall be reimbursed for any unearned rent that has been paid. In the event said premises are partially destroyed by any of the aforesaid means, the rent herein agreed to be paid shall be abated from the time of occurrence of such destruction or injury until the premises are again restored to their former condition, and any rent paid by the Lessee during the period of abatement shall be credited upon the next installment(s) of rent to be paid. It is understood that the terms "abated" and "abatement" mean a pro rata reduction of area unsuitable for occupancy due to casualty loss in relation to the total rented area.

## **NO GUARANTEES**

16. It is understood that no guarantees, express or implied, representations, promises or statements have been made by the Lessee unless endorsed herein in writing. And it is further understood that this Lease shall not be valid and binding upon the State of Washington, unless same has been approved by the Director of the Department of Enterprise Services of the State of Washington or his or her designee and approved as to form by the Office of the Attorney General. Any amendment or modification of this Lease must be in writing and signed by both parties.



*Language for Renewals:*

**ENERGY CONSERVATION**

17. Within 120 days prior to or no later than 30 days after commencement of the Lease, Lessor shall conduct an energy walk-through survey of the leased premises using the DES walk-through survey and energy consumption form. The survey is for the purpose of identifying improvements to maintenance and operating conditions and procedures that would conserve energy. The Lessor shall provide DES with a copy of the completed walk-through form and as soon as practicable thereafter, implement identified improvements to energy conservation maintenance and operating procedures. If the Lessor fails to implement these requirements within 45 days of Lease commencement, the Lessor shall be in a material breach and the Lessee may at its option use self-help and rent offset or specific performance to have the work completed and/or changes implemented.

*Language for New Construction:*

**ENERGY CONSERVATION**

17. Within 120 days prior to or no later than 30 days after substantial completion of the Leased Premises, Lessor shall conduct an energy walk-through survey of the leased premises using the DES walk-through survey and energy consumption form. The survey is for the purpose of identifying improvements to maintenance and operating conditions and procedures that would conserve energy. The Lessor shall provide DES with a copy of the completed walk-through form and as soon as practicable thereafter, implement identified improvements to energy conservation maintenance and operating procedures. If the Lessor fails to implement these requirements within 45 days of substantial completion, the Lessor shall be in a material breach and the Lessee may at its option use self-help and rent offset or specific performance to have the work completed and/or changes implemented.

**REIMBURSEMENT FOR DAMAGE TO PREMISES**

18. The Lessee hereby agrees to reimburse the Lessor for damages caused by the negligence of its employees, clients and agents, but in no event shall this paragraph be construed as diminishing the Lessor's duty to make repairs as set forth in preceding paragraphs of this Lease, or as making Lessee responsible for the repair of normal wear and tear.

**HAZARDOUS SUBSTANCES**

19. Lessor warrants to his/her knowledge that no hazardous substance, toxic waste, or other toxic substance has been produced, disposed of, or is or has been kept on the premises hereby leased which if found on the property would subject the owner or user to any damages, penalty, or liability under any applicable local, state or federal law or regulation.

Lessor shall indemnify and hold harmless the Lessee with respect to any and all damages, costs, attorneys' fees, and penalties arising from the presence of any hazardous or toxic substances on the premises, except for such substances as may be placed on the premises by the Lessee.

**DUTY TO CURE**

20. Upon receiving notice of a condition requiring cure, the non-breaching party shall initiate and complete cure or repair of such condition within a reasonable time. A condition requiring cure includes, without limitation: (1) a condition that requires the Lessor to undertake repair/ replacement and/or other maintenance of the premises, (2) a condition where Lessor has failed to maintain a required service or utility account in good standing, and (3) any other condition resulting from a breaching party's failure to carry out any obligation under the Lease, including without limitation obligations for improvements, alterations, and/or deferred maintenance.

The term "reasonable time" as used within this paragraph of the Lease shall mean as soon as reasonably possible but no longer than thirty (30) days, unless either (1) an emergency condition exists requiring an immediate cure to promptly begin without delay, usually within hours and to be complete within 24 hours to the extent reasonably possible in light of the nature of the condition and circumstances, or (2) a non-emergency condition exists that is not reasonably possible to cure within 30 days with due diligence and the breaching party provides the level of cure or preparation for cure that is reasonably possible to do with due diligence within 30 days.

If an emergency or non-emergency condition exists that is not reasonably possible to completely cure within 24 hours or 30 days, respectively, the breaching party shall so notify the non-breaching party within 24 hours or 30 days, respectively. Such notice shall explain why the cure is not reasonably possible with due diligence to complete within 24 hours (if an emergency) or 30 days (if a non-emergency) and provide the earliest date that the work can be completed as soon as reasonably possible. It is not a justifiable ground for delay that the Lessor does not have available funding to accomplish the cure or that a preferred contractor has limited availability if other contractors can satisfactorily perform the work sooner at reasonable cost.

The term "emergency condition" shall mean a condition requiring a cure that (i) prevents or substantially disrupts the Lessee from using all or a substantial part of the premises, or (ii) causes or substantially threatens to cause injury to persons or damage to property or raises a substantial danger to the health or safety of any persons on or using the premises. Notice under this paragraph may be by the means allowed in the Notice paragraph, but in addition includes actual notice/awareness that Lessor has of a condition independent of any such notice.

#### **SELF HELP**

21. If the breaching party does not cure within a reasonable time, the nonbreaching party may cure all or part of the default after providing notice to the breaching party of its intent to perform such cure, and, if applicable, recover the costs incurred in curing the default. If the nonbreaching party is the Lessee, the Lessee may deduct all costs incurred from rent or other charges owed to Lessor. If the nonbreaching party is the Lessor, Lessor will submit properly executed vouchers and proof of payment to Lessee and Lessee shall remit payment to Lessor as soon as is practicable. Lessee's costs incurred to cure include, but are not limited to, all reasonable out-of-pocket expenses, payment of unpaid utility or services charges for which Lessor is responsible, and all administrative costs the Lessee reasonably incurs and documents in performing or arranging for performance of the cure.

The nonbreaching party is under no obligation to cure some or all of the default of the breaching party. To the extent that the nonbreaching party does not cure the default, the nonbreaching party may pursue its legal and contractual remedies against the breaching party. The nonbreaching party's failure to cure the breaching party's default does not waive the nonbreaching party's rights to relief. Nothing herein removes or lessens either party's obligation to mitigate damages.

If the Lessee elects to cure using self-help in part or whole, the Lessor shall defend, save, and hold harmless the Lessee, its authorized agents and employees, from all claims, actions, costs, damages or expenses of any nature whatsoever arising out of or in connection with such cure, except where RCW 4.24.115 is applicable and injuries and/or damages are caused by the sole negligence of the Lessee, its agents, or employees. If RCW 4.24.115 is applicable and liability for damages arises out of bodily injury to persons or damages to property and is caused by or results from the concurrent negligence of the Lessee, its agents, or employees, Lessor's liability, including the duty and cost to defend, hereunder shall apply only to the extent of the negligence of Lessor, its agents, or employees.

#### **DEFAULT LEADING TO TERMINATION**

22. If either party fails to initiate and complete cure of a condition requiring cure within a reasonable time after receiving notice of such condition, the nonbreaching party may initiate a default leading to termination of the Lease by providing written notice to the breaching party of the continuing breach. If the breaching party does not complete the cure of the breach within 60 days after receiving such written notice initiating default leading termination, the nonbreaching party may at such time, or at a later date if the cure has still not been completed,

declare a termination by default by so notifying the breaching party. Cure of a condition after a valid notice of termination by default is provided shall not affect a forthcoming termination of the Lease.

If a termination by default is declared or a court so orders, the date of termination shall be determined by the Lessee based on the earliest reasonable date that the Lessee may move and relocate from premises or as agreed by the parties. The Lessee's determination shall be made in light of available funding for the move, the date at which suitable replacement premises can be fully available, and the time reasonably needed to plan and complete the move.

#### **WITHHOLDING OF RENT PAYMENTS**

23. If the Lessor fails to maintain, repair and/or improve the premises as set forth herein, the Lessee may, if authorized by the Department of Enterprise Services, withhold ten percent (10%) of rent payments until such time as Lessor completes deficient maintenance, repair and/or improvements. Upon receipt of documentation of Lessor's noncompliance with maintenance, repair and/or improvement provisions and a written request to withhold rent payments from the Lessee, the Department of Enterprise Services shall provide Lessor with a list of deficient maintenance, repair and/or improvement items and notify Lessor that Lessee has been authorized to withhold rent payment until deficient maintenance, repair and/or improvements have been completed. Lessee shall place all withheld rent payments in an interest bearing account. Withheld rent payments plus accrued interest will be remitted to Lessor after the Department of Enterprise Services verifies that Lessor has satisfactorily completed all maintenance, repair and/or improvements and authorizes Lessee to remit the withheld rent. Nothing in this provision shall limit other remedies which may be available to Lessee under this Lease.

#### **CONDEMNATION**

24. If any of the premises or of the Building, as may be required for the reasonable use of the premises, are taken by eminent domain, this Lease shall automatically terminate as of the date Lessee is required to vacate the premises and all rentals shall be paid to that date. In case of a taking of a part of the premises, or a portion of the Building not required for the reasonable use of the premises, at Lessee's determination, then the Lease shall continue in full force and effect and the rental shall be equitably reduced based on the proportion by which the floor area of the premises is reduced, such rent reduction to be effective as of the date possession of such portion is delivered to the condemning authority. Lessor reserves all rights to damages and awards in connection therewith, except Lessee shall have the right to claim from the condemning authority the value of its leasehold interest and any relocation benefits.

#### **MONTH TO MONTH TENANCY**

25. If Lessee remains in possession of the premises after the expiration or termination of the Lease term, or any extension thereof, such possession by Lessee shall be deemed to be a month-to-month tenancy, terminable as provided by law. During such month-to-month tenancy, Lessee shall pay all rent provided in this Lease or such other rent as the parties mutually agree in writing and all provisions of this Lease shall apply to the month-to-month tenancy, except those pertaining to term and option to extend.

#### **SUBORDINATION**

26. So long as Lessor has fully performed under the terms of this Lease, Lessee agrees to execute, within ten (10) days of written request by Lessor, the state's standard Tenant Estoppel and Subordination Agreements which have been approved as to form by the Office of the Attorney General. A \$400.00 processing fee will be assessed for processing these documents.

#### **CAPTIONS**

27. The captions and paragraph headings hereof are inserted for convenience purposes only and shall not be deemed to limit or expand the meaning of any paragraph.



**NOTICES**

28. Wherever in this Lease written notices are to be given or made, they will be sent by certified mail to the address listed below unless a different address shall be designated in writing and delivered to the other party.

LESSOR: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

LESSEE: Department of Enterprise Services                      **SRL 00-0000**  
Real Estate Services  
1500 Jefferson Street S.E., 2<sup>nd</sup> Floor  
Post Office Box 41468  
Olympia, WA 98504-1468

IN WITNESS WHEREOF, the parties subscribe their names.

**LESSOR NAME**

**STATE OF WASHINGTON**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_

Acting through the Department  
of Enterprise Services

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**RECOMMENDED FOR APPROVAL:**

\_\_\_\_\_  
Real Estate Agent  
Real Estate Services

Date: \_\_\_\_\_

**APPROVED AS TO FORM:**

By: \_\_\_\_\_

Assistant Attorney General

Date: \_\_\_\_\_





*Choose a jurat from below and erase the others.*

**CORPORATE JURAT**

STATE OF \_\_\_\_\_ )  
 ) ss.  
County of \_\_\_\_\_ )

On this \_\_\_\_\_ day of \_\_\_\_\_, A.D., 20\_\_\_\_\_, before me personally appeared \_\_\_\_\_ to me known to be the \_\_\_\_\_ of the corporation that executed the within and foregoing instrument and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that \_\_\_\_\_ was authorized to execute said instrument and that the seal affixed thereto is the corporate seal of said corporation.

In Witness Whereof I have hereunto set my hand and affixed my official seal the day and year first above written.

\_\_\_\_\_  
Notary Public in and for the State of Washington,  
Residing at \_\_\_\_\_  
My commission expires \_\_\_\_\_

**INDIVIDUAL JURAT**

STATE OF \_\_\_\_\_ )  
 ) ss.  
County of \_\_\_\_\_ )

I, the undersigned, a Notary Public, do hereby certify that on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_, personally appeared before me \_\_\_\_\_ to me known to be the individual(s) described in and who executed the within instrument, and acknowledged that \_\_\_\_\_ signed and sealed the same as \_\_\_\_\_ free and voluntary act and deed, for the purposes and uses therein mentioned.

In Witness Whereof I have hereunto set my hand and affixed my official seal the day and year first above written.

\_\_\_\_\_  
Notary Public in and for the State of Washington,  
Residing at \_\_\_\_\_  
My commission expires \_\_\_\_\_



**MULTI USE JURAT**

STATE OF \_\_\_\_\_ )  
 ) ss.  
County of \_\_\_\_\_ )

On this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ before me personally appeared \_\_\_\_\_ and said person(s) acknowledged that \_\_\_\_\_ signed this instrument, and on oath stated that \_\_\_\_\_ was authorized to execute the instrument and acknowledged it as the \_\_\_\_\_ of \_\_\_\_\_ to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

In Witness Whereof I have hereunto set my hand and affixed my official seal the day and year first above written.

\_\_\_\_\_  
Notary Public in and for the State of Washington,  
Residing at \_\_\_\_\_  
My commission expires \_\_\_\_\_



